

State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0090/9
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DOA:.....Major, BB0194 - Creating the Transform Milwaukee Jobs program

FOR 2013-2015 BUDGET - NOT READY FOR INTRODUCTION

D-note
(in 12-21)

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you eat

1 AN ACT relating to: creating a Transform Milwaukee Jobs program.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

PUBLIC ASSISTANCE

Under current law, the transitional jobs demonstration project, under which DCF pays wage subsidies to employers who employ low-income individuals in transitional jobs, will end on July 1, 2013. This bill creates a Transform Milwaukee Jobs program (TMJ program) that is very similar to the transitional jobs demonstration project. Under the TMJ program, DCF pays to a person or entity that employs a program participant a wage subsidy that is equal to the wage the person or entity pays the participant, up to 40 hours per week at minimum wage. The person or entity must employ the participant at least 20 hours per week and pay at least minimum wage. An individual may participate in the program for a maximum of 1,040 hours, which is equivalent to 26 40-hour weeks. In addition to paying the wage subsidy, DCF may reimburse a person or entity who employs a program participant for certain taxes, unemployment contributions or taxes, and worker's compensation insurance premiums that are attributable to the participant. → employment of

To be eligible to participate in the TMJ program, an individual must be at least 18 years old, and, if over 24 years old, must be the parent or primary relative caregiver of a child under the age of 18. The individual must have household income below 150 percent of the poverty line, be unemployed for at least four weeks, be ineligible to receive unemployment benefits, and not be participating in a Wisconsin

contractor or
employer

Works (W-2) employment position. A program participant ^{maybe} is eligible for a child care subsidy under Wisconsin Shares, which generally provides child care subsidies for participants in W-2 ^{Insert A-1} ~~insert A-1~~ ^{ing} ~~insert A-2~~ ^{Insert A-2}

DCF ~~must contract with a person or entity to determine eligibility, provide~~ job orientation and employment services, and maintain participant demographic, eligibility, and employment records. DCF may recover an overpayment from a participant that results from a misrepresentation about his or her eligibility, and must recover an overpayment from a contractor that results from a failure to comply with the contract or to meet performance standards established by DCF. For the TMJ program, the bill allocates \$3,750,000 in fiscal year 2013–14 and \$5,000,000 in fiscal year 2014–15 from federal Temporary Assistance for Needy Families (TANF) block grant program funds.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 49.155 (1m) (intro.) of the statutes is amended to read:

2 49.155 (1m) ELIGIBILITY. (intro.) Except as provided in s. 49.155 (3g), the
3 department shall contract with a county department or agency to determine the
4 eligibility of individuals residing in a particular geographic region or who are
5 members of a particular Indian tribal unit for child care subsidies under this section.
6 Under this section, an individual may receive a subsidy for child care for a child who
7 has not attained the age of 13 or, if the child is disabled, who has not attained the age
8 of 19, if the individual is participating in the Transform Milwaukee Jobs program
9 under s. 49.163 or if the individual meets all of the following conditions:

10 **SECTION 2.** 49.163 of the statutes is created to read:

11 **49.163 Transform Milwaukee Jobs program. (1) DEFINITIONS.** In this
12 section:

13 (a) “Wisconsin Works” has the meaning given in s. 49.141 (1) (p).

(b) "Wisconsin Works employment position" has the meaning given in s. 49.141 (1) (r).

(2) ELIGIBILITY FOR PROGRAM. (a) The department shall establish a Transform Milwaukee Jobs program in Milwaukee County. To be eligible to participate in the program, an individual must satisfy all of the following criteria:

1. Be at least 18 years of age.

2. If over 24 years of age, be a biological or adoptive parent of a child who is under 18 years of age or be a relative and primary caregiver of a child who is under 18 years of age.

3. Have an annual household income that is below 150 percent of the poverty line.

4. Be unemployed for at least 4 weeks.

5. Be ineligible to receive unemployment insurance benefits.

6. Not be participating in a Wisconsin Works employment position.

(b) The department may establish other service priorities and additional eligibility criteria consistent with its mission and the funding available.

(3) PROGRAM DESCRIPTION. (a) The program shall include all of the following features and requirements:

(a) The department may pay a wage subsidy to any person or entity that employs an individual under this section for a minimum of 20 hours per week at a location in this state. The wage subsidy shall equal the amount of wages that the person or entity actually pays the individual, up to 40 hours per week at the federal or state minimum wage that applies to the individual.

whose parental rights to the child have not been terminated

Insert 3-14

Insert 4-1
(b) A person or entity that employs an individual under this section shall pay the individual for hours actually worked, up to 40 hours per week, at not less than the federal or state minimum wage that applies to the individual.

2. (c) An individual may participate in the program for a maximum of 1,040 hours actually worked.

a contractor under sub. (4) or an employer
4. (d) The department may reimburse any person or entity that employs an individual under this section for any of the following costs that are attributable to the employment of the individual. *an* *under the program*

a. Federal social security and Medicare taxes.

b. State and federal unemployment contributions or taxes, if any.

c. Worker's compensation insurance premiums, if any.

5. (e) The employment of an individual under this section may not do any of the following:

a. Have the effect of filling a vacancy created by an employer terminating a regular employee or otherwise reducing its work force for the purpose of hiring an individual under this section.

b. Fill a position when any other person is on layoff or strike from the same or a substantially equivalent job within the same organizational unit.

c. Fill a position when any other person is engaged in a labor dispute regarding the same or a substantially equivalent job within the same organizational unit.

Insert 4-20
(4) CONTRACT FOR ADMINISTRATION. The department shall contract with a person or entity to do all of the following: *may* *any* *Insert 4-22*

(a) Determine the eligibility of applicants for the program.

b. Conduct job orientation activities.

Insert 4-23

1 *d* (1) Provide employment services, as specified by the department, for program
2 participants.

3 *e* (3) Maintain and update participant demographic, eligibility, and employment
4 records in the manner required by the department.

5 (5) RECOVERY OF OVERPAYMENTS. (a) The department may recover from any
6 individual participating, or who has participated, in the program under this section
7 any overpayment resulting from a misrepresentation by the individual as to any
8 criterion for eligibility under sub. (2) (a).

9 (b) The department shall recover from a person or entity with which the
10 department contracts under sub. (4) any overpayment resulting from the failure of
11 the person or entity to comply with the terms of the contract or to meet performance
12 standards established by the department.

13 (6) RULES NOT REQUIRED. Notwithstanding s. 227.10 (1), the department need
14 not promulgate regulations, standards, or policies related to implementing or
15 administering the program under this section as rules under ch. 227.

16 **SECTION 3.** 49.175 (1) (k) of the statutes is created to read:

17 49.175 (1) (k) *Transform Milwaukee Jobs program.* For contract costs under
18 the Transform Milwaukee Jobs program under s. 49.163, \$3,750,000 in fiscal year
19 2013-14 and \$5,000,000 in fiscal year 2014-15.

20 (END)

**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

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INSERT A-1

wdt
 , if the program participant needs child care services in order to participate in the program

(END OF INSERT A-1)

INSERT A-2

wdt
 may administer the TMJ program or contract with any person, including a W-2 agency, county department, local workforce development board, or community action agency, to perform administrative functions, including determining eligibility, providing or identifying employers to provide jobs for eligible individuals, providing

(END OF INSERT A-2)

INSERT 2-9

1 **SECTION 1.** 49.155 (1m) (a) 3r. of the statutes is created to read:
2 49.155 (1m) (a) 3r. Participate in the Transform Milwaukee Jobs program
3 under s. 49.163. ✓

(END OF INSERT 2-9)

INSERT 3-14

4 **4** (b) For purposes of par. (a) 3., the household income of an individual
5 transitioning from foster care to independent living shall be based on the individual's
6 own income over a period determined by the department and shall not include the
7 household income of the individual's foster parents.

(END OF INSERT 3-14)

INSERT 4-1



Ins 4-1 contd

1 *11* 3. The department shall determine and specify in a contract whether the
2 contractor under sub. (4) or an employer is the individual's employer of record. The
3 employer of record

(END OF INSERT 4-1)

INSERT 4-20

4 *4* (b) The department may set priorities for the program consistent with its
5 mission and available funding.

(END OF INSERT 4-20)

INSERT 4-21²

6 *not* to administer the program under this section, including a Wisconsin Works
7 agency; county department under s. 46.215, 46.22, or 46.23; local workforce
8 development board established under *42* USC 2832; or community action agency
9 under s. 49.265. The department, or the agency or agencies with which the
10 department contracts under this subsection, shall

(END OF INSERT 4-21³)

INSERT 4-23

11 *4* (b) Provide, or identify employers to provide, jobs for individuals transitioning
12 to unsubsidized employment from unemployment, underemployment, limited work
13 history, foster care, or other circumstances identified by the department.

(END OF INSERT 4-23)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0090/3dn

PJK:f:....

She

- date -

We now have quite a few different players in this draft, including persons, entities, employers, and contractors. Most likely some of these are actually the same thing. I assumed that "contractor" referred to a person DCF contracts with to administer the program. Is that correct? That term is not defined and it is also not self-defining, as "employer" is. Does DCF pay a wage subsidy to a "person or entity that employs a program participant" or to a "contractor or employer"? In one place in the draft, DCF pays a wage subsidy that equals the amount of wages "the person or entity actually pays the individual" and in another place in the draft, "the employer of record," which is either the contractor or an employer, must pay the individual for hours actually worked. Is it possible to limit the terms and use them consistently? By using different terms, the implication is that we are talking about different entities.

I tried to fit the parts of the redraft instructions into where I thought they made sense and did not duplicate concepts already in the draft. I did not include the specific language about "custodial and noncustodial parents and individuals preparing to leave foster care" in relation to DCF setting priorities because it was too vague. What about custodial and noncustodial parents and individuals preparing to leave foster care is a priority? Providing services to them? In any case, since it is only an example ("including but not limited to"), it is not necessary to explicitly provide that language.

It is better to keep the TANF allocation in this draft. That way both the program and its allocation are put in or kept out of the budget together.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0090/3dn
PJK:sac:rs

January 3, 2013

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Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov

Kahler, Pam

From: Major, Katrina L - DOA <Katrina.Major@wisconsin.gov>
Sent: Monday, January 14, 2013 10:02 AM
To: Kahler, Pam
Cc: Kraus, Jennifer - DOA
Subject: FW: Creating the Transform Milwaukee Jobs program

Hi Pam,

Addressing your drafter's note below:

- 1) It makes sense to me to limit the terms and use them consistently as you suggest. DCF is trying to allow flexibility. They liked the flexibility you provided in sub 4, and suggested maybe defining the term contractor. I think then it would work to use employer or contractor throughout. Sub 3 numbers 3 and 4 should have the same actor. DCF had the following suggestion:

"(3) PROGRAM DESCRIPTION. (a) The program shall include all of the following features and requirements:

1. An individual may participate in the program for a maximum of 1,040 hours actually worked.
 2. The department shall determine and specify in a contract whether the contractor under sub. (4) or an employer is the individual's employer of record. The employer-of-record shall pay the individual for hours actually worked, up to 40 hours per week, at not less than the federal or state minimum wage that applies to the individual.
 3. The department may reimburse any employer or contractor under sub. (4) employing an individual participating in the program under this section for a minimum of 20 hours per week at a location in this state for any of the following that are attributable to the employment of an individual under the program:
 - a. Wages the employer or contractor under sub. (4) paid to the individual for hours actually worked, not to exceed the federal or state minimum wage that applies to the individual. An employer that is not a contractor under sub. (4), and subject to approval of the department, a contractor under sub. (4), may pay an employee an amount that exceeds the wage subsidy from the department.*
 - b. Federal social security and Medicare taxes.
 - c. State and federal unemployment contributions or taxes, if any.
 - d. Worker's compensation insurance premiums, if any.
- 2) Regarding the wage subsidy: DCF intends to allow the possibility of an employer paying more than the subsidy received from DCF, but the subsidy would be defined in terms of minimum wage for not more than 40 hours per week plus potential fringe benefits. They do not expect program participants to work overtime. The subsidy would not exceed minimum wage, but the private employer could determine the salary themselves.

Let me know if you have further questions.

Thanks,

k

From: Scott.Thornton@Wisconsin.Gov [<mailto:Scott.Thornton@Wisconsin.Gov>]
Sent: Thursday, January 03, 2013 10:35 AM
To: Major, Katrina L - DOA
Cc: Thornton, Scott - DOA; Thornton, Scott - DOA; Kraus, Jennifer - DOA
Subject: Creating the Transform Milwaukee Jobs program

We have received an LRB draft for DOA Tracking Code: BB0195

LRB Draft Number: 0090/3

Drafter: PJK

Drafting Attorney: Pamela J. Kahler

Phone: (608) 266-2682

E-mail: pam.kahler@legis.wisconsin.gov

Drafter's Note: We now have quite a few different players in this draft, including persons, entities, employers, and contractors. Most likely some of these are actually the same thing. I assumed that "contractor" referred to a person DCF contracts with to administer the program. Is that correct? That term is not defined and it is also not self-defining, as "employer" is. Does DCF pay a wage subsidy to a "person or entity that employs a program participant" or to a "contractor or employer"? In one place in the draft, DCF pays a wage subsidy that equals the amount of wages "the person or entity actually pays the individual" and in another place in the draft, "the employer of record," which is either the contractor or an employer, must pay the individual for hours actually worked. Is it possible to limit the terms and use them consistently? By using different terms, the implication is that we are talking about different entities. I tried to fit the parts of the redraft instructions into where I thought they made sense and did not duplicate concepts already in the draft. I did not include the specific language about "custodial and noncustodial parents and individuals preparing to leave foster care" in relation to DCF setting priorities because it was too vague. What about custodial and noncustodial parents and individuals preparing to leave foster care is a priority? Providing services to them? In any case, since it is only an example ("including but not limited to"), it is not necessary to explicitly provide that language. It is better to keep the TANF allocation in this draft. That way both the program and its allocation are put in or kept out of the budget together.

PDF of Drafter's Note is found in the [Drafter's Notes Library](#).

The [document](#) can be found in the Stat Language site on SharePoint.



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0090/4

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DOA:.....Major, BB0194 - Creating the Transform Milwaukee Jobs program

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

(in 1-14)
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1 AN ACT ~~relating to~~; relating to: creating a Transform Milwaukee Jobs program.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

PUBLIC ASSISTANCE

Under current law, the transitional jobs demonstration project, under which DCF pays wage subsidies to employers who employ low-income individuals in transitional jobs, will end on July 1, 2013. This bill creates a Transform Milwaukee Jobs program (TMJ program) that is very similar to the transitional jobs demonstration project. Under the TMJ program, DCF pays to a person or entity that employs a program participant a wage subsidy that is equal to the wage the person or entity pays the participant, up to 40 hours per week at minimum wage. The person or entity must employ the participant at least 20 hours per week and pay at least minimum wage. An individual may participate in the program for a maximum of 1,040 hours, which is equivalent to 26 40-hour weeks. In addition to paying the wage subsidy, DCF may reimburse a contractor or employer for certain taxes, unemployment contributions or taxes, and worker's compensation insurance premiums that are attributable to employment of the participant.

To be eligible to participate in the TMJ program, an individual must be at least 18 years old, and, if over 24 years old, must be the parent or primary relative caregiver of a child under the age of 18. The individual must have household income below 150 percent of the poverty line, be unemployed for at least four weeks, be ineligible to receive unemployment benefits, and not be participating in a Wisconsin

Insert A

Works (W-2) employment position. A program participant may be eligible for a child care subsidy under Wisconsin Shares, which generally provides child care subsidies for participants in W-2, if the program participant needs child care services in order to participate in the program.

DCF may administer the TMJ program or contract with any person, including a W-2 agency, county department, local workforce development board, or community action agency, to perform administrative functions, including determining eligibility, providing or identifying employers to provide jobs for eligible individuals, providing job orientation and employment services, and maintaining participant demographic, eligibility, and employment records. DCF may recover an overpayment from a participant that results from a misrepresentation about his or her eligibility, and must recover an overpayment from a contractor that results from a failure to comply with the contract or to meet performance standards established by DCF. For the TMJ program, the bill allocates \$3,750,000 in fiscal year 2013-14 and \$5,000,000 in fiscal year 2014-15 from federal Temporary Assistance for Needy Families (TANF) block grant program funds.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 49.155 (1m) (a) 3r. of the statutes is created to read:

2 49.155 **(1m)** (a) 3r. Participate in the Transform Milwaukee Jobs program
3 under s. 49.163.

4 **SECTION 2.** 49.163 of the statutes is created to read:

5 **49.163 Transform Milwaukee Jobs program. (1) DEFINITIONS.** In this
6 section:

7 (a) "Wisconsin Works" has the meaning given in s. 49.141 (1) (p).

8 (b) "Wisconsin Works employment position" has the meaning given in s. 49.141
9 (1) (r).

10 **(2) ELIGIBILITY FOR PROGRAM.** (a) The department shall establish a Transform
11 Milwaukee Jobs program in Milwaukee County. To be eligible to participate in the
12 program, an individual must satisfy all of the following criteria:

1. Be at least 18 years of age.

2. If over 24 years of age, be a biological or adoptive parent of a child under 18 years of age whose parental rights to the child have not been terminated or be a relative and primary caregiver of a child under 18 years of age.

3. Have an annual household income that is below 150 percent of the poverty line.

4. Be unemployed for at least 4 weeks.

5. Be ineligible to receive unemployment insurance benefits.

6. Not be participating in a Wisconsin Works employment position.

(b) For purposes of par. (a) 3., the household income of an individual transitioning from foster care to independent living shall be based on the individual's own income over a period determined by the department and shall not include the household income of the individual's foster parents.

(c) The department may establish additional eligibility criteria consistent with its mission and the funding available.

(3) PROGRAM DESCRIPTION. (a) The program shall include all of the following features and requirements:

1. The department may pay a wage subsidy to any person or entity that employs an individual under this section for a minimum of 20 hours per week at a location in this state. The wage subsidy shall equal the amount of wages that the person or entity actually pays the individual, up to 40 hours per week at the federal or state minimum wage that applies to the individual.

(b) An individual may participate in the program for a maximum of 1,040 hours actually worked.

(1) 25. The department shall determine and specify in a contract whether ^athe
2 contractor under sub. (4) or an employer is the individual's employer of record. The
3 employer of record shall pay the individual for hours actually worked, up to 40 hours
4 per week, at not less than the federal or state minimum wage that applies to the
5 individual.

6 4. The department may reimburse a contractor under sub. (4) or an employer
7 under this section for any of the following costs that are attributable to the
8 employment of an individual under the program:

9 b. Federal social security and Medicare taxes.

10 c. State and federal unemployment contributions or taxes, if any.

11 d. Worker's compensation insurance premiums, if any.

12 5. The employment of an individual under this section may not do any of the
13 following:

14 a. Have the effect of filling a vacancy created by an employer terminating a
15 regular employee or otherwise reducing its work force for the purpose of hiring an
16 individual under this section.

17 b. Fill a position when any other person is on layoff or strike from the same or
18 a substantially equivalent job within the same organizational unit.

19 c. Fill a position when any other person is engaged in a labor dispute regarding
20 the same or a substantially equivalent job within the same organizational unit.

21 (b) The department may set priorities for the program consistent with its
22 mission and available funding.

23 (4) CONTRACT FOR ADMINISTRATION. The department may contract with any
24 person to administer the program under this section, including a Wisconsin Works
25 agency; county department under s. 46.215, 46.22, or 46.23; local workforce

development board established under 29 USC 2832; or community action agency under s. 49.265. The department, or the agency or agencies with which the department contracts under this subsection, shall do all of the following:

(a) Determine the eligibility of applicants for the program.

(b) Provide, or identify employers to provide, jobs for individuals transitioning to unsubsidized employment from unemployment, underemployment, limited work history, foster care, or other circumstances identified by the department.

(c) Conduct job orientation activities.

(d) Provide employment services, as specified by the department, for program participants.

(e) Maintain and update participant demographic, eligibility, and employment records in the manner required by the department.

(5) RECOVERY OF OVERPAYMENTS. (a) The department may recover from any individual participating, or who has participated, in the program under this section any overpayment resulting from a misrepresentation by the individual as to any criterion for eligibility under sub. (2) (a).

(b) The department shall recover from a person or entity with which the department contracts under sub. (4) any overpayment resulting from the failure of the person or entity to comply with the terms of the contract or to meet performance standards established by the department. *contractor*

(6) RULES NOT REQUIRED. Notwithstanding s. 227.10 (1), the department need not promulgate regulations, standards, or policies related to implementing or administering the program under this section as rules under ch. 227.

SECTION 3. 49.175 (1) (k) of the statutes is created to read:

49.175 (1) (k) *Transform Milwaukee Jobs program.* For contract costs under the Transform Milwaukee Jobs program under s. 49.163, \$3,750,000 in fiscal year 2013–14 and \$5,000,000 in fiscal year 2014–15.

(END)

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**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

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(END OF INSERT A)

INSERT 4-8

- 4*
1 3. The department may reimburse an employer, or a contractor under sub. (4),
2 that employs an individual participating in the program under this section for a
3 minimum of 20 hours per week at a location in this state for any of the following costs
4 that are attributable to the employment of the individual under the program:
5 *4* a. A wage subsidy equal to the amount of wages that the employer or contractor
6 *2* paid *pay* to the individual for hours actually worked, not to exceed 40 hours per week at
7 the federal or state minimum wage that applies to the individual.

(END OF INSERT 4-8)

INSERT 4-11

- 8 *4* 4. An employer, or, subject to the approval of the department, a contractor
9 under sub. (4), that employs an individual participating in the program under this
10 section may pay the individual an amount that exceeds any wage subsidy paid to the
11 employer or contractor by the department under subd. 3. a.

(END OF INSERT 4-11)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0090/4dn

PJK:/.....

Sac

- date -

I don't think that "contractor" needs to be defined now, since the references to "contractor" include "under sub. (4)."

Although you didn't think that a program participant would work more than 40 hours per week, I allowed for that possibility by removing "up to 40 hours per week" in proposed s. 49.147 (3) (a) 2., providing even more flexibility. Okay?

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

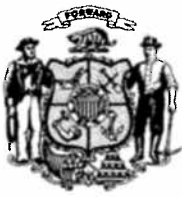
LRB-0090/4dn
PJK:sac:rs

January 14, 2013

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Under current law, the transitional jobs demonstration project, under which DCF pays wage subsidies to employers who employ low-income individuals in transitional jobs, will end on July 1, 2013. This bill creates a Transform Milwaukee Jobs program (TMJ program) that is very similar to the transitional jobs demonstration project. Under the TMJ program, DCF pays to an employer, or a person with which DCF contracts to administer the program (contractor), that employs a program participant a wage subsidy that is equal to the wage the employer or contractor pays the participant, up to 40 hours per week at minimum wage. The employer or contractor must employ the participant at least 20 hours per week at a location in this state and pay at least minimum wage, although the employer, or contractor with the approval of DCF, may pay the participant more than the wage subsidy. An individual may participate in the program for a maximum of 1,040 hours, which is equivalent to 26 40-hour weeks. In addition to paying the wage subsidy, DCF may reimburse an employer or contractor for certain taxes, unemployment contributions or taxes, and worker's compensation insurance premiums that are attributable to employment of the participant.

To be eligible to participate in the TMJ program, an individual must be at least 18 years old, and, if over 24 years old, must be the parent or primary relative

caregiver of a child under the age of 18. The individual must have household income below 150 percent of the poverty line, be unemployed for at least four weeks, be ineligible to receive unemployment benefits, and not be participating in a Wisconsin Works (W-2) employment position. A program participant may be eligible for a child care subsidy under Wisconsin Shares, which generally provides child care subsidies for participants in W-2, if the program participant needs child care services in order to participate in the program.

DCF may administer the TMJ program or contract with any person, including a W-2 agency, county department, local workforce development board, or community action agency, to perform administrative functions, including determining eligibility, providing or identifying employers to provide jobs for eligible individuals, providing job orientation and employment services, and maintaining participant demographic, eligibility, and employment records. DCF may recover an overpayment from a participant that results from a misrepresentation about his or her eligibility, and must recover an overpayment from a contractor that results from a failure to comply with the contract or to meet performance standards established by DCF. For the TMJ program, the bill allocates \$3,750,000 in fiscal year 2013-14 and \$5,000,000 in fiscal year 2014-15 from federal Temporary Assistance for Needy Families (TANF) block grant program funds.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 49.155 (1m) (a) 3r. of the statutes is created to read:

2 49.155 (1m) (a) 3r. Participate in the Transform Milwaukee Jobs program
3 under s. 49.163.

4 **SECTION 2.** 49.163 of the statutes is created to read:

5 **49.163 Transform Milwaukee Jobs program.** (1) DEFINITIONS. In this
6 section:

7 (a) "Wisconsin Works" has the meaning given in s. 49.141 (1) (p).

8 (b) "Wisconsin Works employment position" has the meaning given in s. 49.141
9 (1) (r).

1 **(2) ELIGIBILITY FOR PROGRAM.** (a) The department shall establish a Transform
2 Milwaukee Jobs program in Milwaukee County. To be eligible to participate in the
3 program, an individual must satisfy all of the following criteria:

4 1. Be at least 18 years of age.

5 2. If over 24 years of age, be a biological or adoptive parent of a child under 18
6 years of age whose parental rights to the child have not been terminated or be a
7 relative and primary caregiver of a child under 18 years of age.

8 3. Have an annual household income that is below 150 percent of the poverty
9 line.

10 4. Be unemployed for at least 4 weeks.

11 5. Be ineligible to receive unemployment insurance benefits.

12 6. Not be participating in a Wisconsin Works employment position.

13 (b) For purposes of par. (a) 3., the household income of an individual
14 transitioning from foster care to independent living shall be based on the individual's
15 own income over a period determined by the department and shall not include the
16 household income of the individual's foster parents.

17 (c) The department may establish additional eligibility criteria consistent with
18 its mission and the funding available.

19 **(3) PROGRAM DESCRIPTION.** (a) The program under this section shall include all
20 of the following features and requirements:

21 1. An individual may participate in the program for a maximum of 1,040 hours
22 actually worked.

23 2. The department shall determine and specify in a contract whether a
24 contractor under sub. (4) or an employer is the individual's employer of record. The

1 employer of record shall pay the individual for hours actually worked at not less than
2 the federal or state minimum wage that applies to the individual.

3 3. The department may reimburse an employer, or a contractor under sub. (4),
4 that employs an individual participating in the program for a minimum of 20 hours
5 per week at a location in this state for any of the following costs that are attributable
6 to the employment of the individual under the program:

7 a. A wage subsidy equal to the amount of wages that the employer or contractor
8 pays to the individual for hours actually worked, not to exceed 40 hours per week at
9 the federal or state minimum wage that applies to the individual.

10 b. Federal social security and Medicare taxes.

11 c. State and federal unemployment contributions or taxes, if any.

12 d. Worker's compensation insurance premiums, if any.

13 4. An employer, or, subject to the approval of the department, a contractor
14 under sub. (4), that employs an individual participating in the program may pay the
15 individual an amount that exceeds any wage subsidy paid to the employer or
16 contractor by the department under subd. 3. a.

17 5. The employment of an individual under this section may not do any of the
18 following:

19 a. Have the effect of filling a vacancy created by an employer terminating a
20 regular employee or otherwise reducing its work force for the purpose of hiring an
21 individual under this section.

22 b. Fill a position when any other person is on layoff or strike from the same or
23 a substantially equivalent job within the same organizational unit.

24 c. Fill a position when any other person is engaged in a labor dispute regarding
25 the same or a substantially equivalent job within the same organizational unit.

1 (b) The department may set priorities for the program consistent with its
2 mission and available funding.

3 (4) CONTRACT FOR ADMINISTRATION. The department may contract with any
4 person to administer the program under this section, including a Wisconsin Works
5 agency; county department under s. 46.215, 46.22, or 46.23; local workforce
6 development board established under 29 USC 2832; or community action agency
7 under s. 49.265. The department, or the agency or agencies with which the
8 department contracts under this subsection, shall do all of the following:

9 (a) Determine the eligibility of applicants for the program.

10 (b) Provide, or identify employers to provide, jobs for individuals transitioning
11 to unsubsidized employment from unemployment, underemployment, limited work
12 history, foster care, or other circumstances identified by the department.

13 (c) Conduct job orientation activities.

14 (d) Provide employment services, as specified by the department, for program
15 participants.

16 (e) Maintain and update participant demographic, eligibility, and employment
17 records in the manner required by the department.

18 (5) RECOVERY OF OVERPAYMENTS. (a) The department may recover from any
19 individual participating, or who has participated, in the program under this section
20 any overpayment resulting from a misrepresentation by the individual as to any
21 criterion for eligibility under sub. (2) (a).

22 (b) The department shall recover from a contractor under sub. (4) any
23 overpayment resulting from the failure of the contractor to comply with the terms
24 of the contract or to meet performance standards established by the department.

(6) RULES NOT REQUIRED. Notwithstanding s. 227.10 (1), the department need not promulgate regulations, standards, or policies related to implementing or administering the program under this section as rules under ch. 227.

SECTION 3. 49.175 (1) (k) of the statutes is created to read:

49.175 (1) (k) *Transform Milwaukee Jobs program.* For contract costs under the Transform Milwaukee Jobs program under s. 49.163, \$3,750,000 in fiscal year 2013–14 and \$5,000,000 in fiscal year 2014–15.

(END)